

Financial crisis: Non-monetary factors influencing Employee performance at banking sectors

Pshdar Abdalla Hamza¹, Rizhin Nuree Othman², Khowanas Saeed Qader³, Sanarya Adnan Anwer⁴, Hawkar Anwar Hamad⁵, Bayar Gardi⁶, Hamin Khasrow Ibrahim⁷

¹Department of Business Administration, Kurdistan Technical Institute, Sulaymaniyah, Iraq.

²Department of Computer Science and Engineering, Lebanese French University, Kurdistan Region, Iraq.

³Department of Accounting and Finance, College of Administrations and Economics, Lebanese French University, Kurdistan Region, Iraq.

⁴Department of Business Administration, Lebanese French University, Kurdistan Region, Iraq.

⁵Department of Accounting and Finance, College of Administrations and Economics, Lebanese French University, Kurdistan Region, Iraq.

⁶Department of Accounting, College of Administration and Financial Sciences, Knowledge University, Kirkuk Road, 44001 Erbil, Kurdistan Region, Iraq.

⁷Department of Accounting and Finance, College of Administrations and Economics, Lebanese French University, Kurdistan Region, Iraq.

Received: 16 May 2022; Received in revised form: 10 May 2022; Accepted: 15 May 2022; Available online: 21 May 2022

©2022 The Author(s). Published by AI Publications. This is an open access article under the CC BY license

(<https://creativecommons.org/licenses/by/4.0/>)

Abstract—Money and credit fluctuations, financial crises, and governmental responses have come into the spotlight as a result of the crisis that lasted from 2014 to 2018. The primary objective of this study was to investigate the non-financial elements that have an effect on employee performance in the Kurdistan region of Iraq in general and in Erbil in particular. In spite of this, the researcher came up with five assumptions about study that needed to be evaluated and quantified in order to assess how well employees performed amid financial crises. It was found that job security had the highest value, which indicates that job security has the most powerful and positive association with employee performance during financial crisis. On the other hand, job enrichment was found to be the least powerful factor that influences and is related to employee performance during financial crisis in the Kurdistan region of Iraq. The researcher used simple regression analysis to measure the developed research hypotheses.

Keywords—financial, non-monetary, performance of employees, banking

I. INTRODUCTION

Several years after the global financial crisis, significant progress has been done in the fields of economics and economic studies to solve the shortcomings of traditional modeling frameworks used to alert on monetary and financial crises. Research in Kurdistan, Iraq, examines the effects of non-Monetary factors on employee performance during financial crises, as well as progress made in econometric modeling, including larger financial sectors, nonlinearity, addressing the real lower bound for interest rates, and dealing with heterogeneity across countries and economic agents. On the basis of these developments, we can now better assess the impact of employee performance on crisis management, thereby paving the way for the widespread adoption of microdata. In order to recognize

improved financial sector communication (including forward advice on non-monetary aspects) by presenting basics of limited rationality, further research are regarded to be necessary on the communication of negative rates and their financial stability effects. A great deal of work must also be done to create models with more diverse characters to account for nonmonetary issues and the growing importance of differences across a larger spectrum of policy debates. For these accomplishments to be realized, the links between financial crises and actual economic activity, unusual non-monetary factor actions at or near real lower bound, and the need of solid control and supervision procedures have to be thoroughly reconsidered (Hamad et al. 2021). Mainstream models used by banks to assess and estimate economic and inflationary trends, in

particular the absence of a financial sector as a possible basis or megaphone of economic, were shown as inadequate by the worldwide crisis. Many depictions now include a fully-functioning banking system, which takes into consideration the existence of financial resistances and also allows the macro prudential norms to be studied. Non-monetary factors are summarised in macro econometric frameworks using the short-term interest rate, but this should be replaced with a more detailed explanation of the function of public and private balance sheets.

Thus, the mechanisms via which national bank resource buy programs are transmitted and their effects on financial resource costs and the wider economy may be fully understood. This introduction is written from the perspective of a national bank, focusing on the European Central Bank's efforts in monetary and financial research. It doesn't touch on all of the areas that are critical to the national bank's operations. However, market analysts continue to argue about the proper balance between financial adjustment and manageability in subsidence (based on the measure of financial multipliers), the deficiencies of genuine and apparent modification components in Europe's monetary and money association, and the structure of increasingly effective risk sharing actions. Since the crises, the causes of low swelling have also attracted a lot of attention. Despite a significant reduction of monetary and labor advertise slack, growth has been persistently modest in many developed countries in recent years. A discussion over the Phillips bend's form, determination, and area as well as the role of broad monetary circumstances in igniting financial development and expansion has been re-ignited as a result of this. Even though these questions are important, they will not be addressed in this paper. The latest global monetary crises have shown just how important it is to have a thorough understanding of crisis. Money-related unrest's impact on financial and monetary tactics may be enormous, as has been seen in the most recent scene (Farajet al. 2021). In light of previous crises, crisis analysis has become a significant part of contemporary debates about how best to handle future crises, as the long-term effects of these crises continue to be examined. An examination of the significance of monetary framework would likely resurrect a number of critical faultlines in present-day macroeconomic reasoning—between hypotheses that see monetary frameworks as unimportant or non-essential, and those that conserve a central role for financial intermediation. According to (Aliet al. 2021), as well as the recently popular Neo-Keynesian mix, macroeconomic outcomes are independent of the monetary framework's performance. Contrary to this view are the theories put out

by scholars such as (Gardiet al. 2021) who argue to differing degrees that the economy may be influenced by factors relating to money in a significant, unmistakable, and occasionally even dominant manner. Having a better grasp of financial history is crucial to this conversation, since it may help us develop more effective monetary hypotheses. The Economist, the Financial Times, and other media outlets have echoed the conclusion that speculations based on deductive rather than inductive thinking have lost a lot of their air during the financial crisis. Because of the current crises, we must return to macroeconomic and monetary history with the hope that more and better proof will provide more useful guidance than reflection alone, in order to overcome the disappointment of understanding revealed by these crises.

II. LITERATURE REVIEW

The Financial Failure

A. Insolvency in the Financial Sector In the 1930s, most financial institutions were insolvent. The insurance companies and the common investment banks, for example, managed to keep up with responsibilities that were close to average. It was impossible for some to continue their business as usual, such as structure and advances (which despite their ability to regulate investor withdrawals, had a crucial number of bombs go off). What was most important, though, were the concerns of corporate banks. both in terms of their scale and the central role that commercial banks play in the money-related economy made financial difficulties crucial (Akoi & Yesiltas, 2020). Understudies of the Great Depression will notice the severity of the financial crisis. In a real-world situation, the causes of the financial crisis can be better appreciated. We must remember that financial disappointments were not unheard of at this terrible time of year. The US financial system, which was built up primarily of small, independent institutions, has always been particularly feeble. There have never been financial problems on the size of America in countries like Britain, France, and Canada where just a few large banks exist.) To a large extent, the predominance of small banks in the United States was due to an administrative domain that mirrored well-known attitudes of dread against large banks and "trusts." For example, there were several state and national regulations limiting branch banking. For part banks, a com appeal between the state and national financial systems would further reduce the legal barriers to banking. Disappointment was not out of the question in this situation, and it may have even been desirable. For example, the rural misery of the 1920's led to a few small, rustic banks failing, causing many people to feel

disappointed. Aside from few little banks' lack of monetary sanity, the system as a whole witnessed a more significant source of bank failures; to put it plainly, money-related frenzies. A run on the banks was possible because banks' liabilities were effectively a set price, callable obligation (Qaderet al. 2021), but many advantages were extremely illiquid. Fear of a bank's failure prompts investors to withdraw their money, resulting in the bank's advantages being liquidated. When other banks are also trading, the urge to sell quickly or to dump resources that are accessible might result in losses that are very detrimental to the bank. Because of this, the desire for disappointment will become self-reinforcing for the component of the run. A curious question is why banks have thus far relied on fixed-value request storage, whereas elective instruments may have reduced or maintained the problem of runs. Friedman and Schwartz have a response: Prior to the establishment of the federal reserve in 1913, frenzies were normally handled by restricting the ability of bank stores to be converted into currency. Clearinghouses, voluntary associations of urban banks, conducted this training on a regular basis to minimize the dangers of a bank's continued operation by rendering hasty liquidation ineffective. To some extent, interest-rate sensitivity was exacerbated by the discontinuation of convertibility practice.

Financial Crises

Despite the fact that financial crises have a few commonalities, they can be structured in a variety of ways. In many cases, a financial crisis is accompanied by at least one of the following: significant changes in credit volume and resource costs; serious interruptions in monetary intermediation and the supply of outside financing to various performers in the economy; large-scale accounting report issues (Akoi et al. 2021); and large-scale government support (as liquidity backing and recapitalization). A single pointer can't really capture the complexities of a money crisis, which are often multifaceted occurrences. Even if the writing has shed light on some of the driving forces behind crises, it remains a challenge to definitively discern their deeper roots. Numerous theories have been put out through the years to explain why crises occur. There are several queries as to the precise causes of crises while important components—macroeconomic unbalanced traits, internal or external shocks—are constantly monitored (Nakamura & Steinsson, 2018). Occasionally, "unreasonable" causes are to blame for financial catastrophes. Unexpected bank runs, infection and overflows in financial markets, currency restrictions during times of stress, growth of benefit busts, credit crunches and fire sales are a few of the many facets of financial conflict that fall under this

category. The idea of "creature spirits" (as the source of money-related market changes) has long occupied a significant portion of the discourse aimed at elucidating crisis situations. Prior to a financial crisis, resource and credit bubbles often burst, leading to a bust in the end. Explosions in the resource and credit markets have been recognized as significant by several ideas focusing on the origins of crises. In any case, it has been a challenge to explain why resource value air pockets or credit blasts are allowed to continue and eventually become unsustainable and change into busts or crunches (Czemrowski, et al. 2016). When it comes to financial markets and strategy makers, it's important to explain why they don't anticipate the risks and try to slow down the growth of credit and the rise in resource prices. Consideration has been given to macroeconomic and money-related aspects of crises. Many distinct types of monetary crises have been documented across time, from the earliest stages of small-scale monetary turbulence to the most extensive national, territorial, or even planetary crises. They've also shown how financial crises may inhibit resource prices and credit growth for a long time, as well as how crises can have real consequences for the real economy (Faeq, 2022).

Types of Financial Crises

There are two distinct types of economic collapse that may be categorised as a whole: financial and non-financial. There are two types of crises, according to (Ahmed & Faeq, 2020): those that may be classed based on quantitative parameters and those that must be judged based on subjective criteria. Both money and abrupt halt crises are included in the primary group, while debt and banking crises are included in a second group. In any event, theories aimed at elucidating crises have a significant influence on definitions. While financial crises can take on a variety of forms and structures, writers have been able to reach deep into the core meanings of a wide range of crisis types. Examples of a theoretical attack on cash that results in a devaluation or forces specialists to protect the money by consuming large amounts of worldwide stores, causing an increase in lending costs, or imposing capital controls include these and other examples of a money crisis. As a result of a significant spike in its credit spread, an abrupt halt (or capital record or parity of installments crisis) can be defined as a considerable (and usually shocking) reduction in universal capital inflows, or a sharp inversion in total capital streams to the nation. They lend themselves to the use of quantitative systems since they are measurable elements. There are a number of crises that are linked to unfavorable debt factors or financial system instability. When a country is unable (or unwilling) to manage its distant obligations, it enters a state of crisis. Sovereign or private (or both) debt problems

may manifest. When a country fails to honor its local monetary obligations in a meaningful way, such as by defaulting outright, inflating or otherwise ruining its currency, or by employing one or more additional methods of financial repression, a residential open obligation crisis occurs. Real or possible bank runs and disappointments during a fundamental financial crisis may prompt banks to stop the convertibility of their obligations or require the government to interfere in order to maintain this by providing considerable liquidity and capital assistance. They lend themselves to subjective approaches since they aren't all that easily quantitative. There are a variety of possible ordering, but the types of crises are likely to be covered. Sudden stops and cash crunches often accompany various financial crises (Faeqet al. 2021).

A. Foreign and Domestic Debt Crises

Remote obligation crises and default are closely linked to theories on sovereign loaning. Loan experts lack the "firearm vessel" tactic to catch insurance from another country, or even a sovereign, when it refuses to honor its obligations. The existence of universal (Hamza et al. 2021) lending cannot be explained by lawful arguments alone in the absence of an authorization mechanism, i.e. the basic to local liquidation. Models are based on either intertemporal or intertemporal sanctions, which is a huge disentanglement in modeling terms. If a country defaults on a loan, it may be subject to intertemporal sanctions (Guzmán & Mojica-Nava, 2017). The country will never again be able to smooth out unusual pay shocks using global financial markets if there is no entrance (either always or for quite some time). Even though there are no immediate, direct costs to default, this expense might inspire the nation to continue with its obligation payments today. For example, infratemporal authorizations might arise from the inability to acquire distant commerce nowadays since exchanging accomplices force sanctions or generally lock the nation out of worldwide marketplaces. Sovereign borrowing can be bolstered to a certain extent by these two types of expenditures. According to these theories, a lack of power or an unwillingness to pay, i.e., default, can be caused by a number of factors. When it comes to compensating obligations, governments confront a different set of challenges than businesses and families. Similarly, they rotate models in a clockwise direction (Shaw & Sergueeva, 2019). It appears that a nation defaults in an intertemporal display when the open-door cost of not being able to get till the end of time is low; one such example appears to be when the terms of exchange are high and must stay high in the future. The costs of a cutoff from exchange may be least in the intertemporal authorize display when the terms of transaction are bad. Shaw and

Sergueeva, 2019) explain that in a model with frequent shocks, countries resort in times of crisis to smooth use. As a result, each of the models has a different impact on a country's purchasing power. Such models, however, cannot fully explain why sovereigns default and why leasers lend so much money to their counterparts. As loan managers and account holders avoid the dead-weight costs of default and renegotiate obligation installments, many models predict that default does not occur in balance. Despite the fact that a few models have been linked with actual-world defaults, models frequently underestimate the likelihood of real defaults.. Eminently, countries do not default as frequently as most models predict when times are bad: (Thabet & Alaeddin, 2017) indicate that only 62% of default situations yield was below pattern. Financial institutions' willingness to lend to countries despite high default risk is also undervalued by models. The relationship between financial and political elements and the possibility of an obligation default does not appear to have been changed by changes in the institutional situation, for example, those implemented following the obligation crises of the 1980s. To put it another way, this suggests that models aren't capturing all of the perspectives necessary to understand defaults. However, despite the fact that these events had received very little attention in the literature up to this point, household duty problems have been a frequent theme. In the financial hypothesis, local obligation crises are relegated to a minor role since models commonly believe that administrations always honor their residential obligation commitments—the standard assumption is of the "hazard free" government resources. To make government obligations less relevant, models frequently use Ricardian equality (Aliet al. 2021).. The fact that just a few countries have been able to avoid defaulting on their home debts, with often negative financial consequences, is evident from continuous historical studies. Due to the abuse of governments' monopoly on money issuance, this occurs regularly during periods of strong expansion. Historically, countries would "corrupt" their currency on a regular basis by reducing the metal content of coins or switching to a different metal. In this way, the government's financial burden was lowered and the government received financial aid. In addition, there have been many forms of "debt default," such as money-related censorship (Faeqet al. 2021). It takes a long time to persuade the general populace to return to using the currency with confidence after an expansion or corruption crisis. With the resulting increase in expenditures, excessive swelling and subsequent cash collapses become a reality, which has significant negative real-world consequences. When it comes to emerging economies, the "exceptional

compulsion" they face when it comes to dealing with external obligations that would be easily handled by advanced nations is likely to be linked to narrow-mindedness about obligations (Hamadet al. 2021).

A. Banking Crises

Banking crises are very normal, however maybe the least comprehended kind of crises. Banks are characteristically delicate, making them subject to keeps running by investors. Besides, issues of individual banks can rapidly spread to the entire financial framework. While open wellbeing nets – including store protection – can constrain this hazard, open help accompanies bends that can really improve the probability of an crises. Institutional shortcomings can likewise raise the danger of an crises. For instance, banks vigorously rely upon the data, lawful and legal conditions to settle on reasonable speculation choices and gather on their advances. With institutional shortcomings, dangers can be higher. While banking crises have happened over hundreds of years and showed some regular examples, their planning remains exactly difficult to bind (Akoi et al. 2021). The financial crises spoke to a massively intricate arrangement of communications – in reality, a dialog of the triggers that contacted off the crises and the vulnerabilities in the money related framework and in monetary guideline that enabled the crises to have such wrecking impacts could more than fill my time this afternoon. The multifaceted nature of our money related framework, and the subsequent trouble of anticipating how advancements in one financial market or establishment may influence the framework overall, introduced impressive difficulties. Be that as it may, in any event by and large, financial standards and research were very valuable for understanding key parts of the crises and for structuring suitable arrangement reactions. For instance, the unnecessary reliance of some monetary firms on shaky monetary subsidizing prompted keeps running on key foundations, with profoundly unfavorable ramifications for the working of the framework all in all. The way that reliance on insecure transient subsidizing could prompt runs is not really news to business analysts; it has been a focal issue in fiscal financial matters since Henry Thornton and Walter Bagehot expounded on the inquiry in the nineteenth century. Indeed, the ongoing crises looked somewhat like the bank runs that figured so unmistakably in Thornton's and Bagehot's times; yet for this situation, the run happened outside the customary financial framework, in the shadow banking framework – comprising of monetary foundations other than managed safe organizations, for example, securitization vehicles, currency showcase assets, and venture banks (Banerjee & Mitra, 2018). Preceding the crises, these foundations had turned out to be progressively subject to different types of

transient discount financing, as had some all-around dynamic business banks. Instances of such subsidizing incorporate business paper, repurchase understandings, and securities loaning. In the years preceding the crises, a portion of these types of subsidizing developed particularly quickly; for instance, repo liabilities of U.S. broker dealers expanded by a factor of 2– 1/2 in the four years before the crises, and a decent arrangement of this extension apparently financed property of generally fewer fluid securities. In the generally natural bank keep running amid the time before store protection, retail investors who heard gossipy tidbits about the strength of their bank – regardless of whether genuine or false – would arrange to pull back their assets. In the event that the run proceeded, at that point, missing mediation by the national bank or some other supplier of liquidity, the bank would come up short on the money important to satisfy investors and after that flop therefore. Frequently, the frenzy would spread as different manages an account with comparative attributes to, or having a financial association with, the one that had fizzled went under doubt. In the ongoing crises, currency showcase common assets and their speculators, just as different suppliers of momentary subsidizing, were what might be compared to mid-1930s retail investors. Shadow banks depended on these suppliers to support longer-term credit instruments, including securities upheld by subprime contracts (Martin & Mazzotta, 2018). After house costs started to decay, concerns started to work about the nature of subprime contract advances and, therefore, about the nature of the securities into which these and different types of credit had been bundled. Albeit many shadow banks had restricted introduction to subprime advances and other sketchy credits, the multifaceted nature of the securities included, and the murkiness of many the monetary game plans made it troublesome for speculators to recognize relative dangers. In a domain of elevated vulnerability, numerous financial specialists reasoned that basically pulling back assets was the simpler and increasingly judicious option. Thusly, financial foundations, realizing the dangers presented by a run, started to store money, which evaporated liquidity and fundamentally constrained their ability to broaden new credit. Because the keeps running on the shadow banking framework happened in a truly new setting, outside the business banking framework, both the private area and the controllers deficiently foreseen the hazard that such runs may happen. The Federal Reserve to be sure acted rapidly to give liquidity to the financial framework, for instance, by facilitating loaning terms at the markdown window and setting up ordinary closeouts in which banks could offer for term national bank credit. Conjuring crisis powers not utilized since the 1930s, the Federal Reserve likewise

discovered approaches to give liquidity to basic pieces of the shadow banking framework, including securities vendors, the business paper advertise, currency showcase shared assets, and the benefit supported securities advertise. For the present purposes, my point isn't to audit this history however rather to call attention to that, in its approach reaction, the Fed was depending on all around created monetary thoughts that have profound chronicled roots (Wang, et al. 2016). The issue for this situation was not an absence of expert comprehension of how runs come to fruition or how national banks and different specialists ought to react to them. Or maybe, the issue was the disappointment of both private-and open area performers to perceive the potential for keeps running in an institutional setting very not quite the same as the conditions that had offered ascend to such occasions before. These disappointments thus were halfway the consequence of an administrative structure that had not adjusted enough to the ascent of shadow banking and that set lacking accentuation on the location of fundamental dangers, rather than dangers to singular organizations and markets. Monetary research and examination have demonstrated valuable in understanding numerous different parts of the crises also. For instance, a standout amongst the most critical improvements in financial aspects over late decades has been the blooming of data financial aspects, which thinks about how inadequate data or contrasts in data among monetary operators influence market outcomes. A vital part of data financial matters, essential specialist theories, thinks about the ramifications of contrasts in data between the principals in a relationship (state, the investors of a firm) and the operators who work for the principals (state, the company's directors). Since the specialist regularly has more data than the foremost – directors will in general find out about the company's chances and issues than do the investors, for instance – and in light of the fact that the money related premiums of the vital and the operator are not impeccably adjusted, much relies upon the agreement (regardless of whether unequivocal or certain) between the vital and the operator, and, specifically, on the motivations that the agreement gives the specialist. Ineffectively organized motivating forces were inescapable in the crises (Angrisani, et al. 2017). For instance, remuneration rehearses at money related establishments, which regularly attached rewards to transient outcomes and made lacking alterations for hazard, added to a domain in which both top administrators and lower-level workers, for example, dealers and advance officers, went for broke. Difficult issues with the structure of motivations likewise rose in the utilization of the supposed begin to-disperse model to subprime contracts. To fulfill the solid interest for

securitized items, both home loan moneylenders and the individuals who bundled the credits available to be purchased to speculators were repaid essentially on the amount of "item" they traveled through the framework. Subsequently, they gave less consideration to credit quality and numerous advances were made without adequate documentation or care in guaranteeing. For instance, to address issues with remuneration rehearses, the Federal Reserve, related to other supervisory offices, has oppressed pay practices of banking organizations to supervisory audit. The interagency supervisory direction bolsters pay rehearses that actuate representatives to take a more drawn out term point of view, for example, paying piece of workers' remuneration in stock that vests dependent on continued solid execution (Hamza et al. 2021).

B. Shortened Version

Alterations in the supply of external finance are better captured by models with abrupt pauses. New money crisis models, like these ones, also focus on accounting report blunders (Alet et al. 2021) in the financial and business sectors, just as these new models. Global factors (such as changes in global finance costs or spreads on hazardous resources, for example) that cause "unexpected halt" in capital streams will generally be given greater weight than other roles. Some of the current inversions and the actual worsening of the conversion scale seen in developing markets can be represented by these models. Typical severe decreases in yield and out-factor profitability are less well-explained by models. Different grindings are used in subsequent unexpected stop models in order to better coordinate information (Liu & Xie, 2015). In many models, a sudden end to money crises leads to an increase in yield rather than a decrease, which is absurd. Due to the weakening of the currency, net fares have risen sharply. This has sparked a variety of theories as to why sudden halts in the flow of money are often linked to large losses in yield. Models often combine channels and money-related quickening agent systems, or connections in labor markets, to simulate a yield reduction during an abrupt stop without losing the ability to reflect the growth of diverse elements. Models with money-related gratings, when closely examined in accordance with the local text, enable to better account for yield and profitability in unexpected stops. For example, when 15 companies must buy data sources (e.g., compensation, distant information) in advance, a decline in credit (the sudden halt paired with growing outer financing premium) reduces overall interest and creates a drop in yield (Yang, et al. 2018). Alternately, a sudden halt might trigger an obligation collapse winding down drops in credit, expenses, and the quantity of guarantee resources, resulting in a drop in yield. This is

due of the security needs in lending. There are negative externalities to financial suffering and insolvency as banks become more apprehensive and reduce new lending, causing a further decline in credit, and in this manner contributing to the sinking of the economy (Calvo, 2000). Small stuns caused by these kinds of improvement components might cause sudden pauses. Security restrictions on debt and working capital can be triggered by small shocks, such as a rise in the cost of imported information, a rise in the cost of the world's loans, or a rise in profitability. A downward spiral in the cost of resources and the accumulation of guarantee resources would allow instruments of obligation collapse in the style of Fisher to create unanticipated halt (Zaharie&Seeber, 2018). This series of events has a rapid impact on output and demand. Business cycles with insurance imperatives, as demonstrated by Courbage and colleagues (2018), can be stable, but with major highlights of unexpected halt. Adler, et al. (2016) provides a model to explain the negative effects of expanding money flows on genuine migration. Abrupt halt are more common in countries with relatively few tradable sectors and large external trade liabilities. Countries with different per capita GDPs, levels of financial progress, and conversion scale practices have all been affected by abrupt pauses (Abay, 2018).

C. Currencies

Many more accurate predictions have been made about impending cash crises in recent years as the concept of such a crisis has evolved. As the work has progressed, it's become more focused on the role money-related circumstances play in triggering cash crises, such as washing soiled bed covers, and less on the general causes of cash crises (and different kinds of financial unrest). Money crises have happened throughout the preceding four decades are typically explained using a three-age model. When gold's price collapsed in the 1970s, the original model was often linked to currency depreciations in Latin America and other developing nations. This was a necessary apparent stay before trade rates were skimmed (Akoi & Andrea, 2020). A theoretical attack on a fixed or pegged currency can come from smart action by financial professionals who accurately foresee that a legislature has been running excessive shortfalls supported by national bank credit, according to the authors. Financial experts hang on to the money as long as they believe the conversion scale will remain intact, but they begin selling it as soon as they believe the peg will come to an end. Running out of liquid resources or hard currency to sustain the swapping scale causes the national bank to quickly lose its liquidity. At that moment, the cash was broken down. The second generation of models emphasizes the importance of different equilibrium points. Different

equilibria and cash crises can be generated by uncertainties about whether a legislature is willing to maintain its peg to the trading scale (Diafas, et al. 2017). In these models, it is possible to have inescapable outcomes in which financial experts attack the money because they expect other speculators to attack the money. Even if macroeconomic fundamentals are sound, modifications in strategy in light of a possible attack (regardless of whether these arrangements are okay with macroeconomic foundations) might lead to an attack and precipitate a crisis. While macroeconomic fundamentals may have predicted other outcomes (such as depreciation for the UK in 1992) in the European Exchange Rate Mechanism crisis, the second era models are influenced by these events. When monetary records are rapidly degraded due to changes in resource prices, such as trade rates, the third period of crises models is examined (Czembrowski, et al. 2016). These models are influenced by the Asian financial crisis of the 1990s. Although monetary situations were consistently in excess and current record deficits appeared to be rational on the surface, the risks associated with the financial and corporate sectors were large due to Asian nations' macroeconomic irregularities. In these divisions, models explain how monetary records cross each other to give birth to money crises. For example, (Faeqet al. 2021) demonstrate how a financial cum money crisis may be triggered if neighboring banks have large commitments unusually named in outside currency.

III. METHODOLOGY

During financial crises in Iraq's Kurdistan region, this study sought to explore the impact of non-monetary factors on employee performance. During a financial crisis, the researcher employed five non-monetary characteristics to assess employee performance, including (job security, working environment, job enrichment, delegation, and job status). Kurdistan's financial system in general, and Erbil in particular, was examined by the researcher. As shown in Figure 1, the researcher used quantitative research to test the hypotheses that had been generated. The results of an academic survey derived from a variety of reputable sources yielded acceptable results. Non-monetary elements that affect banking sector performance were examined through the collection of 108 questionnaires by a researcher.

Research model

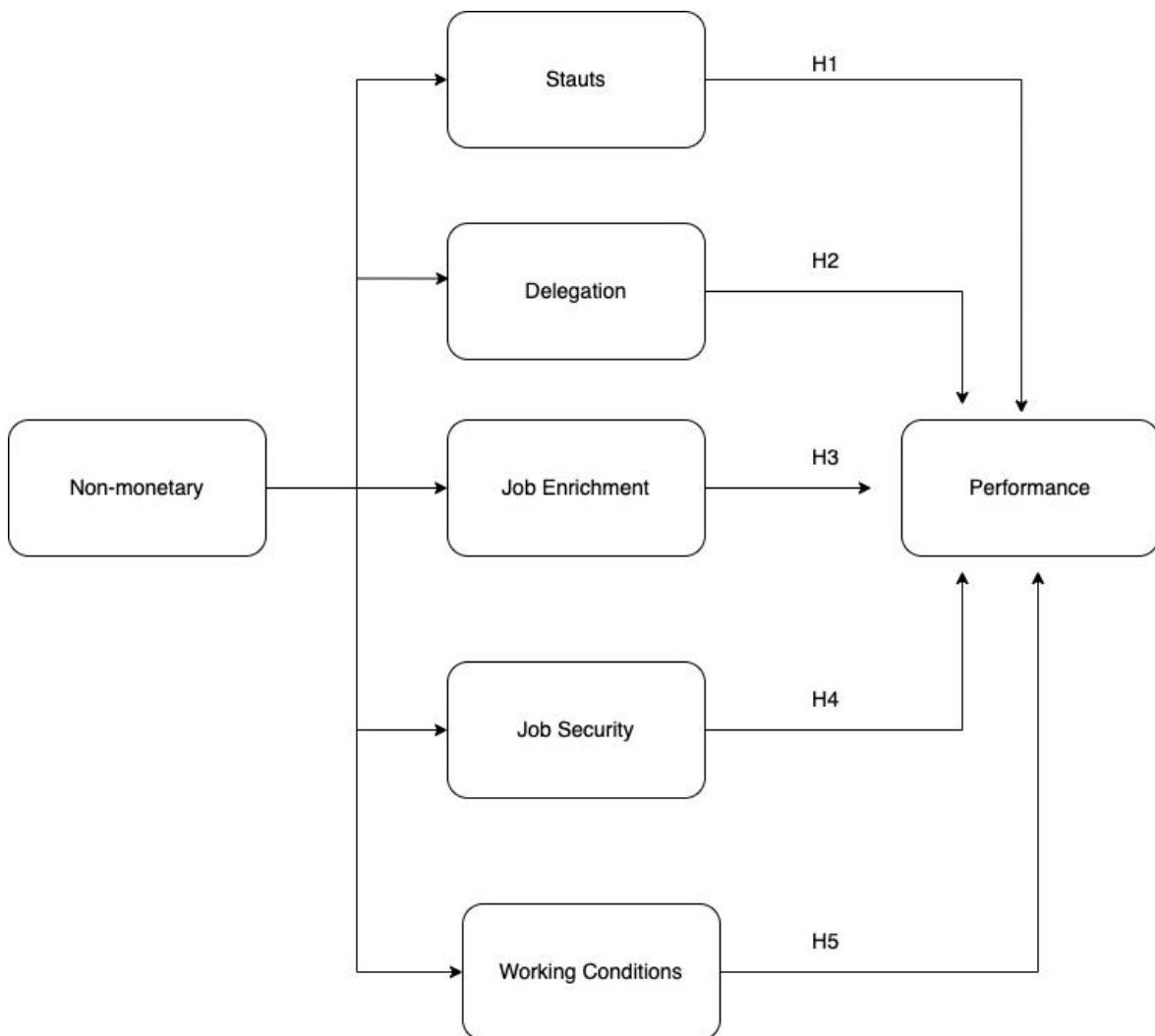


Fig.1- Research Model

Research hypotheses:

- H1: During a financial crisis, job security will be favorably associated with employee performance.
- H2: During a financial crisis, working conditions will have a favorable impact on employee performance.
- H3: Financial crises have a favorable impact on employee performance, and job enrichment is a key factor in this.
- H4: During a financial crisis, employees' performance will be favorably correlated with the amount of delegating they do.
- H5: During a financial crisis, employees' job status will have a favorable impact on their performance.

Data Analysis First Research Hypothesis

- H1: During a financial crisis, job security will be favorably associated with employee performance.

Table.1: Correlation analysis between job security and employee performance

Correlations			
Variables	Pearson Correlation	Job security	Employee performance
Job security	Pearson Correlation	1	.875**
	Sig. (2-tailed)		.000
	N	108	108

Employee performance	Pearson Correlation	.875**	1
	Sig. (2-tailed)	.000	
	N	108	108

**. Correlation is significant at the 0.01 level (2-tailed).

Analytical results are shown in Table 1 for the correlations between scale values based on person correlation. The strength of a correlation between two variables may be assessed via a correlation analysis. Researchers looked examined the relationship between employee productivity and job security. Job security was shown to be significantly correlated ($r=.875^{**}$, $p<0.01$) with employee performance during financial crises by using a correlation test. The linear association between job stability and employee performance is quite strong..

Table.2: Model Summary of Job Security

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.875 ^a	.765	.765	.21273
a. Predictors: (Constant), Job Security				

The variance of employee performance may be used to estimate the total difference in performance. Each participant's predicted employee performance numbers are squared and divided by the number of participants to determine the disparities. The researcher discovered the overall difference or variance accounted for based on regression calculations after dividing the variance by the total variation of employee performance. Between 0 and 1, the number is represented by R Square. R square =.765 implies that 77 percent of the total variation has been explained, as shown in Table (2).

Table.3: ANOVA of Job Security

ANOVA					
Model		Sum of Squares	df	Mean Square	F
1	Regression	145.777	1	145.777	3221.304
	Residual	44.756	989	.045	
	Total	190.533	990		
a. Dependent Variable: Employee Performance					
b. Predictors: (Constant), Job Security					

Since ($3221.304 > 1$) there is a substantial relationship between job security and employee performance, the F value for this independent variable is (3221.304).

Table.4: Coefficients Analysis of Job Security

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.397	.062		6.407	.000
	Job Security	.898	.016	.875	56.757	.000
a. Dependent Variable: Employee Performance						

Based on this, first assumptions were proven correct. Job security strongly predicted employee performance during the financial crisis (Beta is weighted 0.875) and this implies that job security has a direct positive relationship with employee performance.

Second Research Hypothesis

H2: During a financial crisis, working conditions will have a favorable impact on employee performance.

Table.5: Correlations of Job enrichment

Correlations			
Variables	Pearson Correlation	employee performance	Working conditions
Working conditions	Pearson Correlation	1	.571**
	Sig. (2-tailed)		.000
	N	108	108
employee performance	Pearson Correlation	.571**	1
	Sig. (2-tailed)	.000	
	N	108	108

**. Correlation is significant at the 0.01 level (2-tailed).

Table (5) illustrates the correlations between the scales based on the correlations between the people who completed the examinations. Correlation analysis is used to discover how strongly two variables are linked. It was determined that employee output was inversely proportional to working circumstances as an independent

variable. Job security was found to be significantly correlated ($r=.571^{**}$, $p<0.01$) with employee performance during a financial crisis by using a correlation test. During a financial crisis, there is a reasonably high linear correlation between working conditions and employee performance.

Table.6: Model Summary of Job enrichment

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.571 ^a	.326	.326	.35991
a. Predictors: (Constant), Working conditions				

The variance of an employee's performance may be used as a measure of overall difference. Each participant's predicted employee performance numbers are squared and divided by the number of participants to determine the disparities. Using regression analysis, the researcher was able to determine how much or how many variances were

accounted for in the overall variation of employee performance after taking the whole variance into account. Between 0 and 1, the number is represented by R Square. R squared = .326 in Table 6 suggests that 33% of the total variation can be explained.

Table.7: ANOVA of Job enrichment

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	62.182	1	62.182	480.047	.000 ^b
	Residual	128.368	991	.130		

Total	190.550	992			
a. Dependent Variable: Employee Performance					
b. Predictors: (Constant), Working conditions					

Since $(480.047 > 1)$ there is a substantial correlation between working conditions and employee performance during a financial crisis, the F value for job security as an independent variable is 480.047.

Table.8: Coefficient of Job enrichment

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.947	.089		21.779	.000
	Working conditions	.510	.023	.571	21.910	.000
a. Dependent Variable: Employee Performance						

Table 8, shows see a substantial correlation between employee performance and job security (Beta is 0.571). This shows that working conditions will have a favorable impact on employee performance during financial crises.

Third research hypothesis

H3: Financial crises have a favorable impact on employee performance, and job enrichment is a key factor in this.

Table.9: Correlations between Job enrichment and employee performance

Correlations				
Variables	Pearson Correlation	Employee performance	Job enrichment	
Employee performance	Pearson Correlation		1	.529**
	Sig. (2-tailed)			.000
	N		108	108
Job enrichment	Pearson Correlation		.529**	1
	Sig. (2-tailed)		.000	
	N		108	108

**. Correlation is significant at the 0.01 level (2-tailed).

Table (9) illustrates the correlations between the scales using person correlation in the correlations analysis, which gives the values of the found correlation tests. Employee performance was connected with job enrichment as an independent variable. The researcher used a correlation test to discover a strong link between job enrichment and employee performance ($r=.529^{**}$, $p<0.01$). During a financial crisis, there is a reasonably significant linear link between work satisfaction and performance.

Table.10: Model Summary of job enrichment

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.529 ^a	.280	.279	.37205
a. Predictors: (Constant), Job Enrichment				

Each participant's predicted employee performance numbers are squared and divided by the number of participants to determine the disparities. Using regression analysis, the researcher was able to determine how much or how many variances were accounted for in the overall

variation of employee performance after taking the whole variance into account. Between 0 and 1, the number is represented by R Square. A R squared score of .280 means that 28% of the total variation can be explained by the model (see Table 10).

Table.11: ANOVA of Job Enrichment

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	53.372	1	53.372	385.570	.000 ^b
	Residual	137.178	991	.138		
	Total	190.550	992			
a. Dependent Variable: Employee performance						
b. Predictors: (Constant), Job Enrichment						

F value for work enrichment as an independent variable =385.570, which suggests a strong relationship between job enrichment and employee performance during the financial crisis (385.570>1) in Table (11).

Table.12: Coefficients of Job Enrichment

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.261	.084		26.965	.000
	job enrichment	.440	.022	.529	19.636	.000
a. Dependent Variable: Employee Performance						

Job enrichment substantially predicted employee performance (Beta weight 0.529, p.001) which implies that job enrichment has a favorable link with employee performance during financial crises (Table (12) shows this). This finding validated the third of the research assumptions.

Fourth Research Hypothesis

H4: During a financial crisis, employees' performance will be favorably correlated with the amount of delegating they do.

Table.12: Correlations between Delegation and employee performance

Correlations			
Variables	Pearson Correlation	Employee performance	Delegation
Employee performance	Pearson Correlation	1	.774**
	Sig. (2-tailed)		.000
	N	108	108
Delegation	Pearson Correlation	.774**	1
	Sig. (2-tailed)	.000	
	N	108	108

As shown in Table (12), each scale has a strong link with another scale based on correlation between people. Delegation as an independent variable was connected with employee performance as a dependent variable by the researcher. Employee performance was shown to have a

significant association ($r=.774^{**}$, $p<.01$) with delegating, according to a correlation test. Delegation and employee performance have a strong linear link during financial crises.

Table.13: Model Summary of the Delegation

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	.774 ^a	.599	.598	.27810	
a. Predictors: (Constant), Delegation					

As seen in table (13) the researcher found out the amount or the number of total difference or variance that is accounted based on regression calculation. The number

should vary between 0 -1 and is symbolized by R Square. The value of R square = .599 this indicates that 60% of total variance has been explained.

Table.14: ANOVA of the Delegation

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	114.042	1	114.042	1474.527	.000 ^b
	Residual	76.491	989	.077		
	Total	190.533	990			
a. Dependent Variable: Employee performance						
b. Predictors: (Constant), Delegation						

Table (14) explains F value for delegation as independent variable =1474.527, since $(1474.527>1)$ this indicates

there is a significant relation between delegation and employee performance during financial crisis.

Table.15: Coefficients of the Delegation

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.801	.081		9.894	.000
	Delegation	.802	.021	.774	38.400	.000
a. Dependent Variable: Employee performance						

Table (15) explains the result of hypothesis four, delegation has significantly predicted employee performance (Beta is weight 0.774, $p<.001$) this indicates that delegation will have a direct positive association with employee performance based on this result the hypothesis four was supported.

Research Hypothesis Five

H5: During a financial crisis, employees' job status will have a favorable impact on their performance.

Table.16: Correlations between the Job status and Employee performance

Correlations			
Items		Employee performance	Job status
Employee performance	Pearson Correlation	1	.565**
	Sig. (2-tailed)		.000
	N	108	108
Job status	Pearson Correlation	.565**	1
	Sig. (2-tailed)	.000	
	N	108	108

**. Correlation is significant at the 0.01 level (2-tailed).

Table (16) shows the correlations between the scales using person correlation. Correlation analysis is determined the strength of relationship between variables. The researcher correlated the Job status as independent variable with employee performance as dependent variable. According

to correlation test, the researcher found out that Job status has significant correlation ($r=.565^{**}$, $p<0.01$) with employee performance. Concerning the strength of the linear relationship is moderately strong between Job status and employee performance during financial crisis.

Table.17: Model Summary of the Job status

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.565 ^a	.319	.318	.36192
a. Predictors: (Constant), Job status				

The researcher found out the amount or the number of total difference or variance that is accounted based on regression calculation. The number should vary between 0 -1 and is symbolized by R Square. Table (17) shows the value of R square = .319 this indicates that 32% of total variance has been explained.

Table.18: ANOVA of the Job status

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	60.741	1	60.741	463.720	.000 ^b
	Residual	129.808	991	.131		
	Total	190.550	992			
a. Dependent Variable: Employee performance						
b. Predictors: (Constant), Job status						

Table (18) explains F value for the Job status as independent variable =463.720, since ($463.720>1$) this indicates there is a significant relation between Job status and employee performance during financial crisis.

Table.19: Coefficient of the Job status

Model		Coefficients			t	Sig.
		B	Std. Error	Standardized Coefficients Beta		
1	(Constant)	2.008	.088		22.782	.000
	Job status	.499	.023	.565	21.534	.000
a. Dependent Variable: Employee performance						

Table (19) explains the result of research hypotheses five, Job status has significantly predicted employee performance

(Beta is weight 0.565, p<.001) this indicates that factor of the Job status will have a direct positive association with employee performance based on this result the research hypothesis five was supported.

IV. CONCLUSION

The major purpose of this research was to evaluate the nonmonetary elements impacting employee performance in Kurdistan region of Iraq as general and Erbil as particular. However, the researcher devised five study hypotheses to be evaluated and quantified in order to evaluate employee performance amid financial crises. It was discovered that job security had an effect on employee performance during a financial crisis in Kurdistan region that was most powerful and positive, whereas work enrichment was found to be the least powerful and less related to employee performance during a financial crisis by the researcher using simple regression analysis.

V. RECOMMENDATIONS

According to the findings of the study, the government should do a better job of motivating its employees by integrating them in self-development programs and providing them with a competitive salary and other benefits that demonstrate the importance of their contributions to the company. In addition, government and nongovernmental organizations must conduct intensive training programs to raise awareness of high efficiency and productivity through effective non-monetary packages for employees, with their associated good decision-making, innovations, participation in the implementation of government schemes, time and financial management and efficient use of their potentials.

The report also proposes that the management in firms lowers their reliance on monetary rewards like bonuses, to

maximize on non-monetary benefits, primarily by acknowledging, enabling independence, giving flexible working hours as well as fostering career growth for their staff.

In addition, even monetary incentives are crucial. According to employees, the most suited monetary incentive scheme would be a piece rate bonus system or a profit-sharing system. Due to the difficulty of comparing individual activities and the need of teamwork in completing all duties, a rewards system must be based on team performance. A monetary incentive system must, however, take all factors of conduct into consideration. Extra-role conduct for example is significant in this working context. For a piece rate bonus system where employees are paid per product produced, it is very important that employees not sacrifice quality for quantity.

REFERENCES

- [1] Hamad, H. A., Qader, K. S., Gardi, B., Abdalla, P., Hamza, D., & Anwar, G. (2021). The essential variables to consider before investing in financial markets during Covid-19.
- [2] Faraj, K. M., Faeq, D. K., Abdulla, D. F., Ali, B. J., & Sadq, Z. M. (2021). Total Quality Management And Hotel Employee Creative Performance: The Mediation Role Of Job Embeddedness. *Faraj, KM, Faeq, DK, Abdulla, DF, Ali, BJ, & Sadq, ZM (2021). Total Quality Management And Hotel Employee Creative Performance: The Mediation Role Of Job Embeddedness. Journal of Contemporary Issues in Business and Government*, 27(1), 3838-3855.
- [3] Ali, B. J., Saleh, P. F., Akoi, S., Abdulrahman, A. A., Muhammed, A. S., Noori, H. N., & Anwar, G. (2021, May). Impact of Service Quality on the Customer Satisfaction: Case study at Online Meeting Platforms. In *Ali, BJ, Saleh, Akoi, S., Abdulrahman, AA, Muhammed, AS, Noori, HN, Anwar, G.(2021). Impact of Service Quality on the Customer Satisfaction: Case study at Online Meeting Platforms. International journal of Engineering, Business and Management* (Vol. 5, No. 2, pp. 65-77).
- [4] Gardi, B., Hamza, P. A., Qader, K. S., Anwar, H., Hamad, D., & Anwar, G. (2021). Factors affecting the quality of financial statements on investment decision making.

- [5] Ismael, F., Hussein, B., Ibrahim, M. S., & Akoye, S. (2022). The mediation role of organization citizenship behaviour between employee motivation and productivity: Analysis of Pharmaceutical Industries in KRG. *Journal of Humanities and Education Development (JHED)*, 4(1), 10-22.
- [6] Akoi, S. M., & Yesiltas, M. (2020). The Impact of Human Resource Development (HRD) Practices on Organizational Performance: The Mediating Role of Human Capital. *Revista de Cercetare Si Interventie Sociala*, 70.
- [7] Qader, K. S., Hamad, H. A., Gardi, B., Abdalla, P., Hamza, D., & Anwar, G. (2021). The role of sophisticated accounting system in organizational planning.
- [8] Akoi, S., Ali, B. J., Saleh, P. F., Najmalddin, B., Mustafa, R. S., Abdulmajid, M. R., & Hama, A. R. (2021). Elaborating the Characteristics that Affect Buyers in Online Shopping: The Case of Generation Z Girls in Kurdistan Region of Iraq. *Akoi, S., Jamal Ali, B., Fadel Saleh, P., Najmalddin, B., Sabah Mustafa, R., Rzgar Abdulmajid, M., & Rebwar Hama, A.(2021). Elaborating the Characteristics that Affect Buyers in Online Shopping: The Case of Generation Z Girls in Kurdistan Region of Iraq. Black Sea Journal of Management and Marketin*.
- [9] Faeq, D. K. (2022). The Effect of Positive Affectivity on Creative Performance Mediating by Quality of Work Life. *QALAAI ZANIST JOURNAL*, 7(1), 862-877.
- [10] Ahmed, Y. A., & Faeq, D. K. (2020). An economic Evaluation of training and its Effect on employee performance in Building Construction Directory of Sulaimani province-Kurdistan region. *Qalaai Zanist Scientific Journal*, 5(2), 1048-1068.
- [11] Faeq, D. K., Abdulla, D. F., Ali, B. J., & Akoi, S. (2021). Impact of job resources on employee green behavior: An Empirical Investigation Among Employees Work in The Tourist Companies in Erbil-City Kurdistan Region of Iraq. *The Scientific Journal of Cihan University-Sulaimaniya*, 5(2), 115-126.
- [12] Hamza, P. A., Hamad, H. A., Qader, K. S., Gardi, B., & Anwar, G. (2021). Management of outsourcing and its relationship with hotels' performance: An empirical analysis of selected hotels in Erbil. *International Journal of Advanced Engineering Research and Science*, 8, 10.
- [13] Ali, B. J., Akoi, S., Saleh, P. F., & Sardar, Z. (2021). Factors Shaping Customer Satisfaction with Residential Flats: Evidence from Sulaymaniyah City. *Jamal Ali, B., Akoi, S., Fadel Saleh, P., & Sardar, zhilwan.(2021). Factors Shaping Customer Satisfaction with Residential Flats: Evidence from Sulaymaniyah City. Black Sea Journal of Management and Marketing*, 2(2), 1-12.
- [14] Faeq, D. K., Garanti, Z., & Sadq, Z. M. (2021). The Effect of Total Quality Management on Organizational Performance: Empirical Evidence from the Construction Sector in Sulaymaniyah City, Kurdistan Region-Iraq. *UKH Journal of Social Sciences*, 5(1), 29-41.
- [15] Hamad, H. A., Hamza, P. A., Gardi, B., Saeed, K., Qader, D., & Anwar, G. (2021). The influence of accounting software in minimizing business costs.
- [16] Akoi, S., Ali, B. J., Saleh, P. F., Najmalddin, B., Mustafa, R. S., Abdulmajid, M. R., & Hama, A. R. (2021). Elaborating the Characteristics that Affect Buyers in Online Shopping: The Case of Generation Z Girls in Kurdistan Region of Iraq. *Akoi, S., Jamal Ali, B., Fadel Saleh, P., Najmalddin, B., Sabah Mustafa, R., Rzgar Abdulmajid, M., & Rebwar Hama, A.(2021). Elaborating the Characteristics that Affect Buyers in Online Shopping: The Case of Generation Z Girls in Kurdistan Region of Iraq. Black Sea Journal of Management and Marketin*.
- [17] Hamza, P. A., Qader, K. S., Gardi, B., Hamad, H. A., & Anwar, G. (2021). Analysis the impact of Information technology on Efficient tax Management. *International Journal of Advanced Engineering, Management and Science*, 7(9), 31-41.
- [18] Ali, B. J., Akoi, S., Saleh, P. F., & Sardar, Z. (2021). Factors Shaping Customer Satisfaction with Residential Flats: Evidence from Sulaymaniyah City. *Jamal Ali, B., Akoi, S., Fadel Saleh, P., & Sardar, zhilwan.(2021). Factors Shaping Customer Satisfaction with Residential Flats: Evidence from Sulaymaniyah City. Black Sea Journal of Management and Marketing*, 2(2), 1-12.
- [19] Akoi, S., & Andrea, S. (2020). The determinants of the performance of the banking sector: evidence from an emerging market. *Journal for Social Sciences (MEIJSS)*, 2(4), 192-202.
- [20] Faeq, D. K., Abdulla, D. F., Ali, B. J., & Akoi, S. (2021). Impact of job resources on employee green behavior: An Empirical Investigation Among Employees Work in The Tourist Companies in Erbil-City Kurdistan Region of Iraq. *The Scientific Journal of Cihan University-Sulaimaniya*, 5(2), 115-126.